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Financing of the United Nations Observer Mission in Georgia

Annual budget performance report of the United Nations Observer Mission in Georgia for the period from 1 July 1999 to 30 June 2000

Report of the Secretary-General

Summary

The present report contains the financial performance report of the United Nations Observer Mission in Georgia for the period from 1 July 1999 to 30 June 2000. The General Assembly, in its resolution 53/232 of 8 June 1999, appropriated an amount of $31,000,479 gross ($29,505,279 net) for the same period.

Expenditures for the period totalled $25,004,000 gross ($23,729,800 net), resulting in an unencumbered balance of $5,996,479 gross ($5,775,479 net).

The unencumbered balance resulted mainly from military personnel, civilian personnel and operational requirements.

The action to be taken by the General Assembly in connection with the financing of the Mission is set out in paragraph 11 of the present report.

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I. Introduction

1. The United Nations Observer Mission in Georgia (UNOMIG) was established by the Security Council in its resolution 858 (1993) of 24 August 1993. The Mission's mandate has been extended by subsequent Security Council resolutions, the most recent of which was 1311 (2000) of 28 July 2000, by which the Council extended the mandate for a new period terminating on 31 January 2001.

2. The budget for the maintenance of UNOMIG for the period from 1 July 1999 to 30 June 2000 amounted to $29,156,400 gross ($27,661,200 net) (see A/53/844 and Corr.1-3). It provided for the maintenance of up to 135 military observers, 89 international staff and 139 locally recruited staff. The Advisory Committee on Administrative and Budgetary Questions recommended that the General Assembly appropriate $29,156,400 gross ($27,661,200 net) for the period from 1 July 1999 to 30 June 2000 (A/53/895/Add.4, para. 16).

3. The General Assembly, by its resolution 53/232 of 8 June 1999, appropriated an amount of $31,000,479 gross ($29,505,279 net) for the maintenance of UNOMIG for the period from 1 July 1999 to 30 June 2000, inclusive of $1,541,759 for the support account for peacekeeping operations and $302,320 for the United Nations Logistics Base at Brindisi, Italy. This amount has been assessed on Member States.

II. Implementation of the budget

4. During the reporting period, UNOMIG continued to carry out its mandate without structural or operational change, on the basis of the concept of limited patrolling, which was introduced in February 1998. The security situation for most of the year was generally described as calm but unstable; however, this calm was punctuated by incidences of violence and peaks in tension in April and May 2000.

5. Some of the incidents that directly affected UNOMIG operations and personnel included the blocking of the M-27 road in early July 1999, which hindered the Mission's freedom of movement; an explosion at the fence of the Sukhumi headquarters on 9 July; the throwing of a grenade over the fence of the newly opened Zugdidi office on 27 September; and the kidnapping of seven UNOMIG personnel on 13 October, all of whom were released by 15 October. In addition, two UNOMIG military observers were abducted on 17 January 2000 and held for two hours; several international and local staff and their homes were subjected to armed theft in March and April; two military observers, one interpreter and two non-governmental officers were taken as hostages in the Kodori Valley on 1 June and held for several days; and a UNOMIG patrol vehicle was fired upon in Gali on 15 June.

6. Although the security of both personnel and property had been greatly enhanced with the arrival in the Mission of ballistic-protective vehicles and the full deployment of lightly armed security officers and local watchmen as well as a second helicopter, this insecure environment affected the implementation of the budget in several ways. Security arrangements were kept under constant review and strict measures were put in place, including limitations on the movement of vehicles and personnel during the evening hours, further postponement of the reopening of team bases and the relocation of the majority of UNOMIG assets to Zugdidi instead of to Sukhumi, as was planned originally.

7. Restrictions on movement and the continued closure of the team bases resulted in savings under military observers; premises; petrol, oil and lubricants; and spare parts, repairs and maintenance for vehicles. The savings under premises were further increased by a decision to postpone the separation of the Gali and Zugdidi sector offices for security reasons and by the postponement of plans to establish liaison offices in Istanbul, Turkey, and at the airport in Adler, Russian Federation. Additional savings were generated under infrastructure repairs and air operations. The Engineering Section contributed significantly to ensuring greater mobility for the Mission in its patrol and monitoring activities by improving the condition of vital bridges and roads. A number of repair projects were completed. However, negotiations on other projects are ongoing with the local authorities. Although the deployment of the second helicopter proved invaluable and there was increased reliance on fixed-wing aircraft for the transport of items procured by the Mission, economies were realized under air operations as a result of favourable contractual arrangements and fewer flying hours than anticipated.

8. Other factors also had an impact on the implementation of the budget. There was a vacancy rate of 19 per cent among international staff arising mainly from the delayed appointment of a new Head of Mission/Special Representative of the Secretary-General and the delayed recruitment or temporary non-replacement of several officers in the Office of Political and Civil Affairs and the Office of the Special Representative of the Secretary-General. The resultant savings were partially offset by interim staffing requirements under general temporary assistance to meet immediate operational requirements for security, for servicing and repair of communications and transport equipment in various locations and for additional interpreters to support patrol teams. Additional requirements also arose for medium-sized photocopiers, electrical water and space heaters during the winter, fire safety equipment and increased spare part stocks for ageing equipment.

III. Financial performance report for the period from 1 July 1999 to 30 June 2000

9. As indicated in table 1, an amount of $31,000,479 gross ($29,505,279 net) was appropriated for the maintenance of UNOMIG for the period from 1 July 1999 to 30 June 2000. The related expenditures amounted to $25,004,000 gross ($23,729,800 net), inclusive of $2,810,000 in unliquidated obligations. The unencumbered balance of $5,996,479 gross ($5,775,479 net) represents, in gross terms, 19 per cent of the amount appropriated.

Table 1
Apportionment and expenditure
(Thousands of United States dollars)

Category of expenditure	*Apportionment*	*Expenditure*[a]	*Variance*
Military personnel	5 220.1	3 861.3	1 358.8
Civilian personnel	12 526.3	9 760.3	2 766.0
Operational requirements	9 844.2	8 233.9	1 610.3
Other programmes[b]	70.6	30.2	40.4
United Nations Logistics Base at Brindisi	302.3	302.3	-
Support account for peacekeeping operations	1 541.8	1 541.8	-
Staff assessment	1 495.2	1 274.2	221.0
Gross requirements	**31 000.5**	**25 004.0**	**5 996.5**
Income from staff assessment	(1 495.2)	(1 274.2)	(221.0)
Net requirements	**29 505.3**	**23 729.8**	**5 775.5**
Voluntary contributions in kind (budgeted)	-	-	-
Voluntary contributions in kind (non-budgeted)	-	-	-
Total resources	**31 000.5**	**25 004.0**	**5 996.5**

[a] Includes an amount of $2,810,000 in unliquidated obligations.
[b] Excluding personnel.

10. Information on the deployment of military observers and civilian personnel during the reporting period is provided in table 2 and annex III.

Table 2
Authorized staffing, incumbency and vacancy rates for military and civilian personnel for the period from 1 July 1999 to 30 June 2000

Personnel category	*Authorized strength*	*Actual strength (average)*	*Vacancy rate (percentage)*
Military observers	135	104	23
International staff	89	72	19
Local staff	139	128	8

IV. Action to be taken by the General Assembly at its fifty-fifth session

11. The action to be taken by the General Assembly in connection with the financing of the United Nations Observer Mission in Georgia is a decision on the treatment of the unencumbered balance of $5,996,479 gross ($5,775,479 net) for the period from 1 July 1999 to 30 June 2000.

Annex I

Financial performance report for the period from 1 July 1999 to 30 June 2000: summary statement

(Thousands of United States dollars)

Category of expenditure	*(1)* *Apportionment* [a]	*(2)* *Non-recurrent expenditures*	*(3)* *Total expenditures (inclusive of non-recurrent expenditures)*	*(4) = (1 - 3)* *Variance*
I. Military personnel				
1. Military observers	4 936.5	-	3 578.6	1 357.9
2. Military contingents	15.7	-	14.8	0.9
3. Other requirements pertaining to military personnel				
(a) Contingent-owned equipment	227.9	-	227.9	-
(b) Self-sustainment	-	-	-	-
(c) Death and disability compensation	40.0	-	40.0	-
Subtotal, line 3	**267.9**	**-**	**267.9**	**-**
Total, category I	**5 220.1**	**-**	**3 861.3**	**1 358.8**
II. Civilian personnel				
1. Civilian police	-	-	-	-
2. International and local staff	12 526.3	-	9 760.3	2 766.0
3. United Nations Volunteers	-	-	-	-
4. Government-provided personnel	-	-	-	-
5. Civilian electoral observers	-	-	-	-
Total, category II	**12 526.3**	**-**	**9 760.3**	**2 766.0**
III. Operational requirements				
1. Premises/accommodation	1 420.6	543.1	1 061.3	359.3
2. Infrastructure repairs	405.3	166.8	166.8	238.5
3. Transport operations	2 994.2	2 105.3	2 817.4	176.8
4. Air operations	2 990.2	-	2 180.6	809.6
5. Naval operations	-	-	-	-
6. Communications	822.0	244.2	779.5	42.5
7. Other equipment	348.8	288.9	429.2	(80.4)
8. Supplies and services	533.5	-	517.7	15.8
9. Air and surface freight				
(a) Transport of contingent-owned equipment	-	-	-	-
(b) Commercial freight and cartage	329.6	-	281.4	48.2
Total, category III	**9 844.2**	**3 348.3**	**8 233.9**	**1 610.3**

Category of expenditure	*(1)* *Apportionment* [a]	*(2)* *Non-recurrent expenditures*	*(3)* *Total expenditures (inclusive of non-recurrent expenditures)*	*(4) = (1 - 3)* *Variance*
IV. Other programmes				
1. Election-related supplies and services	-	-	-	-
2. Public information programmes	38.6	-	0.7	37.9
3. Training programmes	32.0	-	29.5	2.5
4. Mine-clearing programmes	-	-	-	-
5. Assistance for disarmament and demobilization	-	-	-	-
Total, category IV	**70.6**	-	**30.2**	**40.4**
V. United Nations Logistics Base at Brindisi	**302.3**	-	**302.3**	-
VI. Support account for peacekeeping operations	**1 541.8**	-	**1 541.8**	-
VII. Staff assessment	**1 495.2**	-	**1 274.2**	**221.0**
Gross requirements, categories I-VII	31 000.5	3 348.3	25 004.0	5 996.5
VIII. Income from staff assessment	**(1 495.2)**	-	**(1 274.2)**	**(221.0)**
Net requirements, categories I-VIII	29 505.3	3 348.3	23 729.8	5 775.5
IX. Voluntary contributions in kind (budgeted)	-	-	-	-
X. Voluntary contributions in kind (non-budgeted)	-	-	-	-
Total	**31 000.5**	**3 348.3**	**25 004.0**	**5 996.5**

[a] Based on the appropriation provided by the.General Assembly in its resolution 53/232.

Annex II

Supplementary information on significant variances

Military personnel

Apportionment: $5,220,100; expenditure: $3,861,300; variance: $1,358,800

1. The unutilized balance of $1,358,800 under this heading was attributable mainly to lower requirements for military observers.

Military observers

Apportionment: $4,936,500; expenditure: $3,578,600; variance: $1,357,900

2. The unutilized balance under this heading resulted primarily from the fact that provision had been made for the full complement of 135 military observers, and an improvement in the security situation had been envisioned that would have allowed the reopening of the team bases. This did not occur, however, and since helicopter services and the ballistic-protective vehicles were available for patrol purposes, the deployment of observers was maintained below the authorized strength of 135, resulting in lower actual costs. The average monthly strength of the observers deployed was 104.

Civilian personnel

Apportionment: $12,526,300; expenditure: $9,760,300; variance: $2,766,000

3. The unutilized balance under this heading accrued primarily from an average monthly vacancy rate of 19 per cent among the international staff. This resulted from the delayed appointment of a replacement for the Special Representative of the Secretary-General and the delayed recruitment or temporary non-replacement of several officers in the Office of Political and Civil Affairs and the Office of the Special Representative of the Secretary-General. The unutilized balance for international staff costs was offset by requirements for general temporary assistance and travel.

4. General temporary assistance was utilized in the Security, Communications, and Transport Sections as well as in the Office of the Chief Military Observer. It was decided that local security personnel should be recruited under special service agreements for a probationary period in order for them to undergo training and to allow sufficient time for background checks and performance monitoring. Thirteen personnel were recruited for the servicing of communications and transport equipment that arrived at the Mission as a result of purchases in respect of security measures. An additional six interpreters were also recruited to support an increase in liaison patrols from 20 to 36 during the year. Higher actual costs for travel were related to the number of trips taken between the several locations that constitute the area of operations for the servicing and maintenance of various types of equipment.

Operational requirements

Apportionment: $9,844,200; expenditure: $8,233,900; variance: $1,610,300

5. The unutilized balance under this heading was due primarily to lower requirements, totalling $1,690,700, for premises ($359,300), infrastructure repairs ($238,500), transport operations ($176,800), air operations ($809,600), communications ($42,500), supplies and services ($15,800) and freight ($48,200), offset by additional requirements for other equipment ($80,400).

Premises/accommodation

Apportionment: $1,420,600; expenditure: $1,061,300; variance: $359,300

6. A number of factors contributed to an unutilized balance under this heading. Initial plans to reopen team bases and to separate the Gali and Zugdidi sector offices from their present shared space did not materialize owing to the deteriorating security situation. In addition, liaison offices were not established in Istanbul, Turkey, and Adler, Russian Federation, as envisioned. Requirements for alteration and renovation of premises as well as the related costs for maintenance supplies and services were lower than expected as difficult local conditions hampered the completion of projects. A mild winter and the availability of a stable city power supply resulted in savings under utilities for generator fuel.

Infrastructure repairs

Apportionment: $405,300; expenditure: $166,800; variance: $238,500

7. The unutilized balance under this heading was somewhat due to the security situation but also to the fact that projects can be performed only with the full cooperation and support of local authorities. Negotiations with those entities take a lot of time and, as a consequence, it is not always possible to complete projects within the fiscal year.

Transport operations

Apportionment: $2,994,200; expenditure: $2,817,400; variance: $176,800

8. The unutilized balance under this heading was due mainly to lower actual requirements for repairs and for petrol oil and lubricants resulting from restrictions on the movement of vehicles. This balance was used to offset increased requirements resulting from the change to more advantageous specifications of ballistic-protective vehicles at higher unit costs and the higher cost of workshop equipment. To accommodate this change, 44 vehicles were purchased instead of 53 as budgeted.

Air operations

Apportionment: $2,990,200; expenditure: $2,180,600; variance: $809,600

9. The unutilized balance under this heading was due to more favourable contractual arrangements than anticipated for both helicopters and fixed-wing

aircraft, fewer flying hours, fewer flights involving overnight stays and the fact that no flights were made outside the area of responsibility.

Other equipment

Apportionment: $348,800; expenditure: $429,200; variance: ($80,400)

10. The additional requirements under this heading were primarily for seven medium-sized photocopiers under office equipment, miscellaneous equipment for fire safety and building maintenance, and spare parts, repairs and maintenance to increase stocks for photocopiers and ageing generators. Those requirements were offset by an unutilized balance under data-processing equipment resulting from lower per unit costs for desktop computers and the non-procurement of network upgrades.

Air and surface freight

Apportionment: $329,600; expenditure: $281,400; variance: $48,200

11. The unutilized balance was due to the fact that fewer consignments than usual were received from other missions.

Other programmes

Apportionment: $70,600; expenditure: $30,200; variance: $40,400

12. The unutilized balance under this heading related to public information and training programmes.

Public information programmes

Apportionment: $38,600; expenditure: $700; variance: $37,900

13. The unutilized balance under this heading was due to the absence from the mission of a public information officer.

Staff assessment

Apportionment: $1,495,200; expenditure: $1,274,200; variance: $221,000

14. The unutilized resources under this heading were the result of vacancies among the international staff.

Income from staff assessment

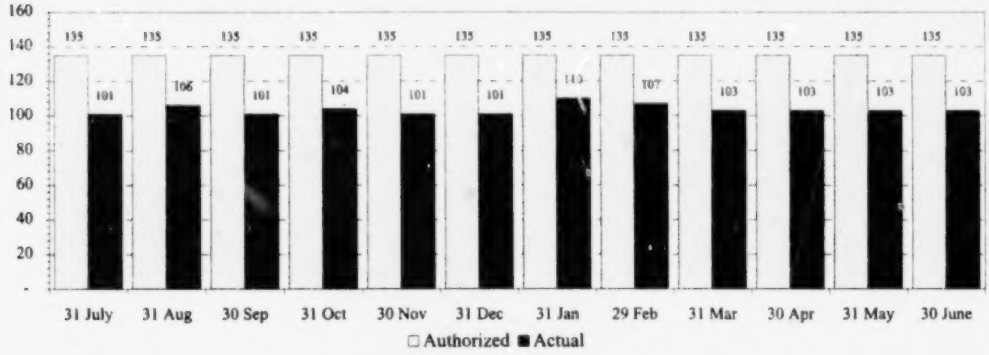
Apportionment: ($1,495,200); expenditure: ($1,274,200); variance: ($221,000)

15. This amount is derived from staff assessment.

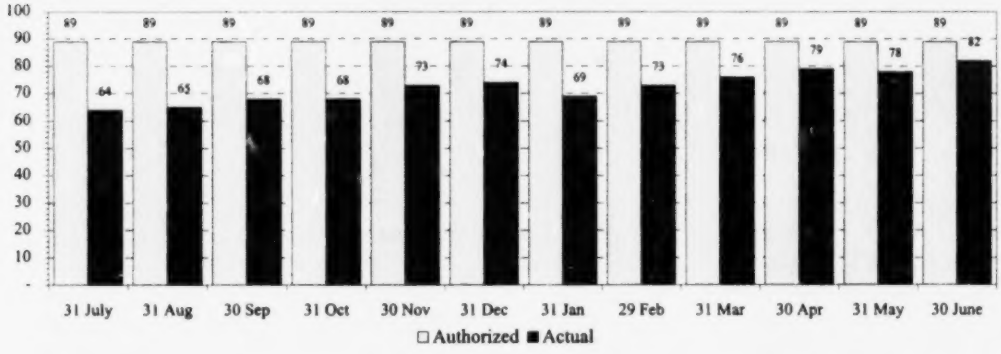
Annex III

Planned and actual deployment of civilian and military personnel for the period from 1 July 1999 to 30 June 2000

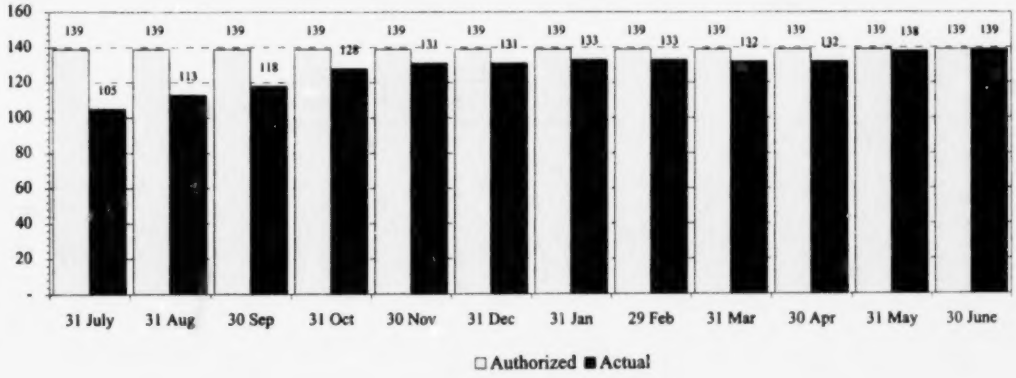
1. Military observers



2. International staff



3. Local staff



Annex IV

Apportionment and expenditure for the period from 1 July 1999 to 30 June 2000